REMARKS

Applicants respectfully request further examination and reconsideration in view of the instant response. Claims 1-20 remain pending in the case. Claims 1-20 are rejected.

35 U.S.C. §103(a)

Claims 1-3, 6-10 and 14-20 stand rejected under 35 U.S.C. §103(a) as being unpatentable over United States Patent 6,028,932 by Park, hereinafter referred to as the "Park" reference, in view of United States Patent 6,058,476 by Matsuzaki, hereinafter referred to as the "Matsuzaki" reference. Applicants have reviewed the cited references and respectfully submit that the embodiments of the present invention as recited in Claims 1-3, 6-10 and 14-20 are not unpatentable over Park in view of Matsuzaki.

Applicants respectfully direct the Examiner to independent Claim 1 that recites that an embodiment of the present invention is directed to (emphasis added):

A system for transferring information, said system comprising:

a source device for encoding an encryption mode identifier (EMI) code into an information packet and for transmitting said information packet over a communication interface, said source device comprising:

> a first encryption circuit for encrypting data of said information packet provided said EMI code indicates a first mode; and

Serial No.: 09/664,992 Examiner: Truong, Thanhnga B. Art Unit: 2135 a second encryption circuit for encrypting said data of said information packet provided said EMI code indicates a second mode: and

<u>a sink device</u> for receiving said information packet from said communication interface, said sink device comprising:

an extractor circuit for extracting said EMI code from said information packet; and

a second decryption circuit for decrypting said data of said information packet in response to said extractor circuit indicating that said EMI code is of said second mode; and wherein said first mode is a copy prohibition mode indicating that said information packet is not to be reproduced by said sink device and wherein said second mode is a copy once inhibition mode indicating that said information packet is not to be reproduced more than once by said sink device.

Independent Claim 1 recites a limitation where the system for transferring information comprises of two separate components, a source device and a sink device as claimed. Moreover, first encryption and second encryption are based on EMI code. EMI code has two modes, a first mode and a second mode. The first mode indicates a copy prohibition where information packet is not to be reproduced. In contrast, the second mode indicates a copy once inhibition where the information packet can only be reproduced once by the sink device.

The rejection asserts that "the parallel data received at the interface portion and daisy chained down to the recording portion 8" is a "source device" as claimed. As such, the rejection admits that a key/detection correcting portion 4, copy prevention information detector 5, copy prevention information corrector 6, encryption 7 and recording 8 are all part of the "source device". The rejection further asserts that a copy prevention information detecting portion 5 is for extracting EMI code in the <u>sink device</u>. Therefore, a copy prevention information Serial No.: 09/664,992

Examiner: Truong, Thanhnga B.

- 4 - Art Unit: 2135

detector 5 is common to both the source device as well as the sink device. Accordingly, the source device and the sink device are the same device. As such, Park does not disclose nor does it suggest a system comprising two separate devices, the source device and the sink device as claimed.

Moreover, the rejection asserts that Park has two modes, "No Copy" and "Copy Permitted." When a mode of "Copy Permitted" is detected, VCR B records and "No Copy" mode is recorded in the additional copy information field to interrupt recopying from a copying tape (see Park, col. 5, lines 11-20). Thus, Park discloses that unlimited number of copies can be made using the original tape and the VCR B. Therefore, Park does not disclose a limitation where a second mode is a copy once inhibition, indicating that the information packet is not to be reproduced more than once by the sink device as claimed.

The rejection admits that Park does not explicitly show a second encryption circuit. The rejection relies on Matsuzaki to remedy this defect. The Applicants do not understand Matsuzaki to teach the second encryption circuit provided the EMI code indicating a second mode as claimed. Moreover, the Applicants find no suggestion or teaching in Park or in Matsuzaki for a second encryption circuit for the EMI code indicating a second mode as claimed.

Assuming, arguendo that Matsuzaki teaches the second encryption circuit for the EMI code indicating a second mode as claimed. Park neither alone nor in

Examiner: Truong, Thanhnga B. Serial No.: 09/664,992 - 5 -

Art Unit: 2135

combination with Matsuzaki teaches the limitations of independent Claim 1 because Matsuzaki does not remedy the failure of Park for not disclosing a source and a sink device as claimed nor does it remedy the failure of Park for not disclosing a limitation where a second mode is a copy once inhibition as claimed.

Accordingly, Claim 1 is not rendered obvious, under 35 U.S.C. 103(a), over Park in view of Matsuzaki. Other independent claims in the present invention are similar in scope to that of Claim 1 and therefore patentable for at least the same reasons that Claim 1 is patentable. Dependent claims are patentable by virtue of their dependency.

Additionally, dependent Claims 2 and 9 further distinguish over Park by explicitly referring to a sink device as a bit stream recording device. Similarly, dependent Claim 20 distinguishes over Park by explicitly referring to a source device as a broadcast receiver device. As discussed above, Park discloses only one device and not a sink device and a source device as claimed.

Moreover, dependent Claim 14 further distinguishes over Park by reciting a limitation where the source and the sink device comprise of a first and a second hash circuit respectively as claimed. The Applicants have found no references in Park to a hash circuit. In fact, Park only discloses that a key supply portion 107 encrypts message and transmits the result (see Park, col. 2, lines 19-20). Park neither discloses nor does it suggest that a hash circuit may be

Serial No.: 09/664,992 Examiner: Truong, Thanhnga B. Art Unit: 2135 - 6 -

used. As such, Park does not disclose nor suggest the use of hash circuit as claimed.

As such, allowance of Claims 1-3, 6-10 and 14-20 is earnestly solicited.

Claims 1, 3-8, 10-13, 15-16 and 18 stand rejected under 35 U.S.C. §103(a) as being unpatentable over United States Patent 6,047,103 by Yamauchi et al., hereinafter referred to as the "Yamauchi" reference, in view of United States Patent 6,058,476 by Matsuzaki, hereinafter referred to as the "Matsuzaki" reference. Applicants have reviewed the cited references and respectfully submit that the embodiments of the present invention as recited in Claims 1, 3-8, 10-13, 15-16 and 18 are not unpatentable over Yamauchi in view of Matsuzaki.

The rejection asserts that disk reproduction drive 126 in Yamauchi is a sink device as claimed. The rejection further asserts that an extractor circuit in the <u>sink device</u> for extracting EMI code is disclosed by a controller 128. Controller 128 is a separate component than the disk reproduction device 126 as shown in Figure 15. Accordingly, Yamauchi does not disclose a sink device comprising an extracting circuit.

Assuming, arguendo that a sink device comprising an extractor circuit is disclosed by Yamauchi. All AV data and commands are first transmitted to the

Examiner: Truong, Thanhnga B. Serial No.: 09/664,992 - 7 -

Art Unit: 2135

controller 128 and then delivered to final destination devices by the controller 128 (see Yamauchi, col. 25, lines 53-56). Therefore, Yamauchi teaches that the controller 128 receives and delivers all AV data and commands to final destination devices. The Applicants find no teaching or suggestion that the controller 128 extracts EMI code. Yamauchi discloses that with this configuration the copyrighted protection of AV data is ensured even if AV data is extracted by the controller 128 due to an erroneous operation (see Yamauchi, col. 25, lines 61-65). Accordingly, Yamauchi teaches away from extracting EMI code because Yamauchi discloses that the AV data is extracted by the controller 128. AV data differs from the EMI code as claimed. Moreover, Yamauchi teaches away from extracting EMI code because it discloses that extraction is due to an erroneous operation and not part of the normal operation of the claimed invention.

Moreover, Yamauchi discloses that a decryption section is for converting the encrypted digital data into decrypted digital data (see Yamauchi, col. 6, lines 51-52). However, Yamauchi fails to disclose that decryption is in response to the extractor circuit indicating that the EMI code is of the second mode as claimed.

The rejection admits that Yamauchi fails to explicitly show two encryption circuits in response to corresponding EMI code as claimed. The rejection relies on Matsuzaki to remedy this failure. The Applicants do not understand Matsuzaki to teach two encryption circuits in response to corresponding EMI code as claimed.

Serial No.: 09/664,992 Examiner: Truong, Thanhnga B.

Assuming, arguendo that Matsuzaki teaches two encryption circuits in response to corresponding EMI code as claimed. Yamauchi alone or in combination with Matsuzaki still does not teach the recited limitations of independent Claim 1 because Matsuzaki does not remedy the failure of Yamauchi for not disclosing a sink device comprising an extracting circuit, extracting EMI code as claimed nor does it remedy the failure of Yamauchi for not teaching a limitation where decryption is in response to the extractor circuit indicating that the EMI code is of the second mode as claimed.

Accordingly, Claim 1 is not rendered obvious, under 35 U.S.C. 103(a), over Yamauchi in view of Matsuzaki. Other independent claims in the present invention are similar in scope to that of Claim 1 and therefore patentable for at least the same reasons that Claim 1 is patentable. Dependent claims are patentable by virtue of their dependency. As such, allowance of Claims 1, 3-8, 10-13, 15-16 and 18 is earnestly solicited.

For the above reasons, the Applicants request reconsideration and withdrawal of these rejections under 35 U.S.C. §103.

Examiner: Truong, Thanhnga B. Serial No.: 09/664,992 - 9 -

Art Unit: 2135

CONCLUSION

In light of the above listed remarks, consideration of Claims 1-20 is requested. Based on the remarks presented above, it is respectfully submitted that Claims 1-20 are in condition for allowance.

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Serial No.: 09/664,992 Examiner: Truong, Thanhnga B.
- 10 - Art Unit: 2135